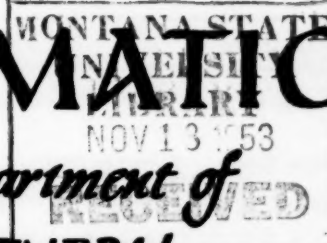


Sept. 1953

R.R. Mice

AUSTRIAN INFORMATION

Published by the Information Department of
THE AUSTRIAN CONSULATE GENERAL



31 EAST 69th STREET • NEW YORK 21, N.Y. • TELEPHONE: LEHIGH 5-4120

VOL. VI, NO. 16

September 19, 1953

SOVIET UNION AGAIN HINDERS CONCLUSION OF AUSTRIAN STATE TREATY. The Soviet Government sent individual notes to the Western Powers on August 28 and to the Austrian Government on August 29 from which it is clear that the Soviet Union is not prepared to resume negotiations for the conclusion of an Austrian State Treaty, as the Western Powers had proposed. The Soviet Union has refused to send a representative to the 261st Deputy Foreign Ministers' Conference called by the Western Powers to meet in London on August 31, has moreover declared that the Deputy Foreign Ministers were not competent to handle the question and has again stated that "any positive results achieved in the solution of the German problem could also be conducive toward a solution of the Austrian question."

On July 29 and 30, the Soviet Union had asked the Austrian Government as well as the Governments of the Western Powers to drop the short treaty draft for Austria introduced some time ago to expedite negotiations on the Austrian Treaty, and to recognize instead, as the basis for future negotiations, the old treaty draft of the year 1947 under which Russia enjoys a considerable number of advantages. In separate notes dated August 17 and 19, the Austrian Government and the Western Powers then informed the Soviet Government that they would agree to any state treaty which would guarantee Austria's freedom, independence and economic existence. Russia's demands were thereby met. (See AUSTRIAN INFORMATION bulletin, Vol. VI, Nos. 14 and 15.)

Nevertheless, the Soviet note handed the Austrian Government on August 29 states:

"The Ministry of Foreign Affairs of the Union of Soviet Socialist Republics finds it necessary to state, in reply to the Austrian Government's note of August 19, that the Soviet Government did not find in the said note a satisfactory reply to the question raised in the Soviet Union's note of July 29. In view thereof, the Soviet Government reaffirms its request that the Austrian Government furnish a clear answer to the question of 'whether it continues to insist on the short treaty draft and still adheres to its declaration as given in the Memorandum of July 31, 1952, according to which further negotiations are impossible on the basis of the former state treaty draft on which substantial agreement has already been reached'. The Ministry is transmitting herewith enclosed, for the information of the Austrian Government, the note the Soviet Government has addressed to the Governments of France, England and the United States with regard to the Austrian treaty draft."

(Cont'd. on page 2)

AUSTRIAN QUESTION PLACED ON AGENDA OF FOREIGN MINISTERS' CONFERENCE SUGGESTED FOR OCTOBER.

"The United States will not relax its efforts to reach a Four-Power agreement on the independence of Austria, and the American Government therefore demands that the Austrian question be discussed at the Four-Power Conference." These words are part of an official declaration released by the U.S. State Department after the Soviet Government rejected a Western proposal to send a representative to the new State Treaty negotiations. "The United States regrets," the statement further said, "that the Soviet Union should have found it necessary to raise threadbare and formalistic objections even to prevent a conference on this problem."

In a note handed the Soviet Government by the Western Powers on September 2, the latter expressed the desire to find a solution to the German and Austrian problems at a conference of the Big Four foreign ministers. The U.S. note also states: "The United States Government never held the view that the restoration of Austria's freedom and independence ... should be contingent upon any progress made toward a solution of the German problem. It is therefore of the opinion that these are two completely independent problems. In its view, there should no longer be any obstacle to the conclusion of an Austrian State Treaty."

The Western Powers again invited the Soviet Government to participate in a conference of the four foreign ministers, which could be held in Lugano on October 15.

FEDERAL GOVERNMENT DESIRES PARTICIPATION IN TREATY NEGOTIATIONS. On September 16th, the Austrian ambassadors in Washington, London and Paris handed similar notes to the governments to which they are accredited. The text of the note handed by ambassador Dr. Max Loewenthal-Chlumetzky to Secretary of State John Foster Dulles reads as follows:

"The Executive Committee of Parliament, which under the Constitution represents the Austrian Parliament, in its meeting of August 19th, 1953 has passed the unanimous decision to request the Austrian Federal Government to approach the Allied Powers to make possible the direct participation of Austria in the negotiations for an Austrian Treaty.

The Austrian Federal Government, therefore, has the honor to bring this desire to the attention of the United States Government and would appreciate being informed of the United States views concerning this matter.

The Austrian Federal Government reserves for itself the right to make at a later moment a formal request for Austria's direct participation in the treaty negotiations."

(continued from p. 1)

Moscow Says Deputy Foreign Ministers Are Not Competent

On August 28, the Soviet Union had accused the Western Powers, in a formal note to each, of 'not having declared that they agreed to resume negotiations on the Austrian State Treaty draft (of the year 1947-Ed.)' In the same note, the Soviet Government refused to participate in the negotiations proposed by the Western Powers for August 31 in London and stated that the Council of Deputy Foreign Ministers was not competent to discuss the Austrian question because 'the mere convocation of such a conference belonged within the terms of reference of the Foreign Ministers Council, which in the instance at hand had not raised the question.'

Western Powers Decided to Make Every Effort Toward Conclusion of Austrian State Treaty

Notwithstanding Russia's refusal to participate in the meeting of the Deputy Foreign Ministers, the Western Deputies nevertheless met in London on August 31 to consult on the Soviet note.

At the end of this conference, the following official communiqué was released: "Today the Special Western Deputies are once more faced with the Soviet Government's categorical refusal to resume negotiations, in spite of the solemn obligation entered into more than ten years ago in the Moscow Declaration to restore a free and independent Austria.

"The hope was cherished that a treaty draft could have been worked out for submission to the contemplated meeting of the four Foreign Ministers. This intent was clearly expressed in the note the Western Powers sent to the Soviet Government on August 17, in which the three Governments also voiced their intention not to bring up the short treaty at the meeting of the Special Deputies. The invalidity of the Soviet argument that the 261st meeting of the Deputies is not just as competent as the 260th requires no further comment. From it the conclusion can be drawn that the latest Soviet note has no other purpose than to raise an additional obstacle to the conclusion of the negotiations. Nevertheless, the Western Powers are just as resolved as heretofore to make every effort to restore to Austria the freedom and independence so long promised her."

"Soviet Union Does Not Want Agreement on Austria" Says Arbeiterzeitung

Austria's political parties and press commented extensively on Russia's latest negative note. The "Arbeiterzeitung," central organ of the Austrian Socialist Party, editorialized as follows:

"The latest Russian note shows that the Soviet Government is still not prepared to negotiate a conclusion of the Austrian State Treaty. This is in no way altered by the circumstance that it has chosen to misinterpret the note of the Austrian Government nor by the fact that in its wordy notes to the Western Powers it has patently diverged from the facts... In its note, which was approved by the Main Committee of Parliament, the Austrian Government stated that the Western Powers had dropped the short treaty and that the

latter no longer represented an obstacle to the continuation of the treaty negotiations. Moreover, the Austrian note had assured the Soviet Government that Austria was prepared to make her contribution to an early conclusion of the State Treaty and thereby to the preservation of world peace. All these declarations are clear and unequivocal. The Western Powers agree to continue negotiations on the basis of the old treaty draft (as demanded by the Soviet Union-Ed.) and the Austrian Government is prepared to make great sacrifices to expedite these negotiations. Only the Soviet Government refuses. It ignores these facts by now demanding that the Austrian Government again furnish a 'final' answer to the question of whether or not it supports the short treaty. The Austrian Government has already answered this question in clear and unequivocal terms! This puts an end to all inferences and references to earlier attitudes and declarations. Now it was only up to the Soviet Government whether it did or did not want to resume negotiations. Its latest note has shown that it does not want to."

"Latest 'No' From Moscow Confirms Usual Disappointment" Says Neue Wiener Tageszeitung

The "Neue Wiener Tageszeitung," the organ of the Austrian People's Party, made the following comment on the Soviet note in an editorial entitled "The Latest 'Njet'": "The usual disappointment was forthcoming on schedule. Even the many signs of greater conciliation, which were welcomed as raising the hopes for an early conclusion of the State Treaty, have changed nothing in that at this decisive moment Austria must again console herself by waiting for a treaty to be concluded at some, as yet indefinite, future date. After the (Soviet) rejection of the Western Power's proposal, it was not difficult to foresee the nature of the Austrian Government's reply. This reply was forwarded at once and was worded as expected. Although the Austrian Government ... had every right to assume that it had replied unequivocally on the question of the short treaty ... the Soviet note raises the same subject again and demands a clear-cut rejection of the so-called short treaty, which Austria had in no way thrown into the argument and which was not even on the agenda of the official conferences of the Deputies... Nor do the latest Moscow notes indicate whether Russia's present policy is being determined by realistic goals of power politics or by propaganda aims. ... What now? The two Russian notes have not created a new situation for Austria. There is therefore no reason for Austria to change her policy, which must continue to avail itself of every opportunity to further Austria's interests and hasten restoration of her full sovereignty."

Neues Oesterreich Wonders Whether Moscow Wants to Use Austria as Pawn in Negotiations on Germany

In its comment on the latest Soviet note, the supraparty paper "Neues Oesterreich" editorially raises the question of whether the Soviet Union wants to keep Austria as a trump card for the negotiations on Germany. The fact that the Soviet Government suddenly no longer regards the forum of the Special Deputies as competent to discuss the Austrian question appears to indicate that Moscow henceforth intends

to negotiate the Austrian question only in connection with the German problem. The paper then mentioned one of the last Western notes to the Soviet Union, in which the West proposed that the Big Four Foreign Ministers' Conference scheduled for the fall take up the Austrian question in addition to that of Germany, and from this note the paper draws the hope that international negotiations on Austria may at least be continued in the near future. "Neues Oesterreich" closes its editorial by saying that Austria would never cease to press for her right to freedom and independence.

OCCUPATION HAS COST AUSTRIA 27 BILLION SCHILLINGS TO DATE. The occupation of Austria has cost the country some 27 billion schillings since 1945, according to a calculation made by the Vienna weekly "Die Wirtschaft."

By the end of 1953, Austria will have paid 6061 million schillings in direct occupation costs, but the country's greatest loss was incurred as a result of the dismantlings carried out until mid-1946. These have been responsible for a forty-five percent loss of industrial machine tools and capital plant equipment. Including the seizure of raw material stocks and goods inventories, Austria's total loss from dismantlings amounted to 13 billion schillings. Losses due to unpaid customs duties and taxes are estimated at a minimum of four billion, while the oil supplies of which Austria has been deprived account for another three billion.

This survey of economic losses does not even include the seizure by the Soviet authorities of the 295 plants designated as "German assets" and the requisition of apartments and hotels. Nor does it include the losses sustained by Austria's economy as a result of the operations of the Soviet trade organizations (USIA enterprises).

BRITAIN TO REDUCE OCCUPATION FORCES IN AUSTRIA TO ONE BATTALION. Britain's Ambassador to Austria, Sir Harold Caccia, informed the Austrian Government on September 4 that his government has decided to reduce its occupation troops in Austria from three battalions to one by next January 1. Sir Harold said that his government was of the opinion that one battalion was amply sufficient for occupation purposes. The remaining British troops will henceforth be concentrated in Vienna, Zeltweg and Klagenfurt. The withdrawal of two-thirds of the British occupation force will relieve Austria's housing shortage, increase available hotel space and improve matters in other fields. Compared to the other Occupying Powers, Britain even now has only half as many troops stationed in Austria as France, one fourth as many as the United States and one eighth as many as Russia.

INTER-ALLIED HEADQUARTERS IN VIENNA TO MOVE.

At its meeting of August 28, the Allied Council for Austria decided to move the Inter-Allied Headquarters in Vienna from its present location in the building of the Austrian Ministry of Justice to the offices of the Allied Council. The part of the Palace of Justice heretofore requisitioned by the Allies will thus be returned to the Austrian Government.

ALLIES RESTORE CENTRAL TELEPHONE EXCHANGE TO AUSTRIAN CONTROL. The Executive Committee of the Allied Council has informed Austrian Chancellor Julius Raab that all controls over domestic and international postal, telegraph, telephone and teletype communications, as well as those over wireless telegraphy, hitherto exercised by the Allied Council and the Occupying Powers would be lifted as of September 1. Full control of the central telephone exchange in Vienna was likewise restored to the Austrian authorities.

All personnel of the various Allied censorship and control stations was dismissed as of September 1, the equipment at these stations being turned over to the Austrian Postal and Telegraph Administration. Administrative memoranda, rubber stamps and censorship forms, as well as all letters, packages and articles confiscated during the past eight years (with the exception of those sent by registered mail), were burned under the supervision of Allied control officers. Registered items were returned to the addressees.

The information services committee of the four Occupying Powers will henceforth "exercise only such supervisory functions over Austrian news and press activities as the Allied Council may henceforth deem necessary." The Austrian Government will continue to be under obligation to submit to the Allied Council such reports as the Allied information services committee may desire.

U.S. MILITARY PERSONNEL AND THEIR DEPENDENTS NOW SUBJECT TO AUSTRIAN BORDER CONTROL.

U.S.F.A. Headquarters has announced that after August 26, 1953, American military personnel and their dependents in Austria will be subject to Austrian border controls when crossing the border. Most U.S. military units have been withdrawn from border posts, and those still stationed in busy frontier stations have been instructed to assist the civilian authorities, but only at the latter's request.

RUSSIANS INTRODUCE "FLYING CONTROL TEAMS."

After disbanding a local military headquarters in the Russian occupation zone of Austria, the Soviet authorities introduced a new method of control by means of "flying teams." These teams, comprising two officials from Soviet provincial headquarters accompanied by an interpreter, have recently appeared at Austrian district offices in a number of areas. The Russians were in civilian clothes and questioned the provincial authorities and district party officials on the economic situation in their area, asked about the level of employment and inquired into other domestic political, economic and local matters. Everywhere, the Russians were keenly interested in the mood of the population and particularly in the people's feelings toward the Soviet Occupying Power.

READERS ARE INVITED TO REPRINT OR QUOTE ANY MATERIAL FROM AUSTRIAN INFORMATION

SOVIETS OPERATE 14 OIL INSTALLATIONS IN AUSTRIA.

It has recently been learned that the Soviet Occupying Power in Austria is operating fourteen oil installations, only three of which have been entered in the Austrian Commercial Register. The existence of the remaining eleven has not yet been communicated to the Austrian authorities. All these installations are lumped together under the designation "Soviet Petroleum Administration" and are exclusively engaged in the exploitation of Austria's oil fields, which the Russians have seized as so-called "German property."

The Viennese paper "Die Presse" reports that the Soviet Petroleum Administration recently discharged 1450 workers, or a fourth of its labor force. This large-scale dismissal is thought to be motivated by Russia's intention of shutting down some of its oil installations in Austria.

NON-FRATERNIZATION BAN FOR SOVIET SOLDIERS IN AUSTRIA LIFTED.

Reports from the Russian zone of Austria indicate that some of the Soviet Headquarters have lifted the ban on fraternization by Russian soldiers, who will now be permitted to visit Austrian movie houses, public places and homes. Moreover, the soldiers have also been authorized to wear civilian clothes. It is believed that the new policy may be extended to the entire Soviet zone.

ABROGATION OF ALL LAWS STILL REMAINING FROM THE NAZI OCCUPATION DEMANDED.

Austrian Chancellor Julius Raab has been requested by the Allied Council to submit to the Occupying Powers before November 15, 1953, a report indicating what measures were being taken to replace the last German laws by new Austrian legislation. After November 15, the Allied Council would no longer tolerate the entry into force of any legislative provisions amending, extending or referring to former German laws.

CONDOLENCES BY AUSTRIAN AMBASSADOR ON DEATH OF CHIEF JUSTICE VINSON.

Dr. Max Loewenthal-Chlumetzky, the Austrian Ambassador in Washington, has expressed his sympathy and condolences on the death of Chief Justice Fred M. Vinson to the American Government and the U.S. Supreme Court, as well as to the widow and family of the deceased.

DR. MARTIN FUCHS PRESENTS CREDENTIALS AS AMBASSADOR TO BELGIUM.

Dr. Martin Fuchs, heretofore Austrian Minister in Brussels and former Director of the Information Department of the Austrian Consulate General in New York, presented his credentials as Austrian Ambassador to Belgium on September 3. Dr. Fuchs was received by Foreign Minister Paul van Zeeland.

AUSTRIAN TRADE-UNION FEDERATION CELEBRATES 60TH ANNIVERSARY.

The Austrian trade union movement celebrated its 60th anniversary within the framework of the 3rd All-Austrian Labor Congress which was held in Vienna from August 29 to September 6, and which was attended by delegates from almost every free country of the world. Participating in the anniversary celebration were Messrs. Gottfurcht and Braunthal, representatives of the International

Confederation of Free Trade Unions; CIO representative Levinson; and M. Schuil, delegate of the International Labor Office in Geneva.

On the occasion of the labor congress, President Dr. Theodor Koerner of Austria gave a tea to which some one hundred Austrian and foreign dignitaries and labor leaders were invited, including Vice Chancellor Schaerf, Deputy Johann Boehm, President of the Austrian Trade-Union Federation; Deputy Altenburger, Vice President of the Federation; and Deputy Proksch, its General Secretary. Dr. Koerner talked at great length with the guests and took an active interest in the conversations.

In a telegram to the Austrian Trade-Union Federation congratulating it on its 60th anniversary, the American Federation of Labor said: "On the occasion of American Labor Day, our free labor movement renews its pledge of loyalty to the great democratic ideals and basic interests of mankind which unite the free labor movement of our two countries. In your struggle for complete national freedom and a just State Treaty, in your resolute adherence to democracy, in your courageous opposition to communism and all other shades of totalitarian dictatorship and reaction, you can count on the strongest solidarity and fullest support of the ten million members of the American Federation of Labor."

It was on October 13, 1892, at a labor meeting in Vienna, that the decision was made to establish a national organization to embrace all of Austria's various trade unions. This organization, known at first as the "Provisional Commission of Austrian Trade Unions," convoked the first Austrian Trade-Union Congress, which was held on Christmas 1893 in Vienna. At that time, only 31,522 workers were unionized throughout the entire Austro-Hungarian Monarchy, with only 46 women and 41 young workers among them. The Vienna Congress finally established the "Austrian Trade-Union Commission," regarded as the forerunner of today's Trade-Union Federation.

By 1913 the Trade-Union Commission had succeeded in unionizing some 400,000 Austrian workers, but during World War I the membership figure dropped to 171,113. After the war, under Minister of Social Welfare Ferdinand Hanusch, the Austrian labor movement came under legal protection and exemplary social welfare legislation was adopted. The unions reached a combined membership of 1,079,777. In 1928, at the 10th Labor Congress in Vienna, the Trade-Union Commission was replaced by the "Bund Freier Gewerkschaften," but in 1933 the great economic depression had reduced the Bund's membership to 480,000.

The activity of Austria's Catholic labor unions also goes back to the end of the last century. In fact, the establishment of Catholic workers' clubs dates back to the early nineties. The first great congress of Catholic labor unions was held in 1897, although it took another twelve years (1909) for the Central Commission of Catholic Trade Unions to be established with an initial membership of some 35,000 workers. After World War I, the Catholic labor movement held two other important congresses, in 1919 and 1925. By that time its membership had risen to 80,000, and in 1928 it passed the 100,000 mark. In 1934 all trade unions in Austria

were dissolved and a so-called United Union was established.

The Austrian Trade-Union Federation was organized after World War II to represent the country's entire labor movement, regardless of party affiliation. Today it has close to 1,300,000 members, and speaks for about two thirds of all salaried workers. Since it represents the workers who were formerly in the free trade unions as well as those who had belonged to the Catholic unions, the Federation is today the main and common spokesman for all Austrian labor. It is not a compulsory organization since membership is voluntary.

AUSTRIA REPRESENTED AT EUROPEAN CONGRESS OF CHRISTIAN DEMOCRATIC PARTIES. The Main Congress of the NEI, the federation of all Christian-Democratic parties of Europe, was held in Tours from September 4 to 7. At this congress, Austria's People's party was represented by Deputy Dr. Alfred Maleta, the party's General Secretary; Dr. Rudolf Strasser, foreign affairs specialist of its National Committee and Councillor Karl Halder, Deputy Director of the Austrian Youth Movement. Held under the general theme, "Supranational Authority and the Concept of Sovereignty," the congress discussed all aspects of European integration.

AUSTRIAN MINISTER OF FINANCE KAMITZ ATTENDS WORLD BANK CONFERENCE. Austrian Minister of Finance Reinhard Kamitz arrived in the United States on September 7 to attend the World Bank Conference in Washington, D.C. Dr. Kamitz is accompanied by Counsellor Dr. Wilhelm Teufenstein of the ministry.

Dr. Eugen Margaretha, President of the Austrian National Bank, accompanied by its Director, Dr. Franz Stoeger-Marenpach, came to Washington at about the same time to attend a conference of the International Monetary Fund.

The news service of the Austrian People's party reports that the Austrian financial representatives will discuss with the officials of the World Bank, the International Monetary Fund and the State Department the loans Austria is seeking for the development of her hydroelectric power resources. These conferences will also serve to arouse interest abroad for further urgently-needed investments connected with the expansion of the country's power industry, as well as with other major projects. The loan to finance completion of the Reisseck-Kreuzeck power station in Carinthia is expected to be granted shortly, according to the news service report.

AUSTRIA PREPARING 1954 BUDGET. According to the Austrian Constitution, the Government must submit the 1954 draft budget to Parliament before October 22, 1953. Government negotiations on the size of the 1954 budget have thus been going on for quite some time, and talks are continuing notwithstanding the absence of Minister of Finance Kamitz, who left Vienna on September 6 for a ten-day visit to Washington, D.C., where he is participating at a conference of the World Bank.

With regard to the budget talks to date, it has been reported that agreement has been reached on aligning desired

expenditures more closely with the conservatively estimated volume of expected revenue. The original deficit of five billion schillings between the appropriations desired by the various ministries and the possible revenue obtainable in 1954 to cover these expenditures has been largely reduced, although a gap of about one billion schillings must still be bridged. This discrepancy will have to be eliminated in the course of the current discussions and may even have to be dealt with by the Cabinet, since the Austrian Government is making every effort to submit a balanced budget to Parliament.

FOREIGN BANKING EXPERTS TO STUDY AUSTRIA'S CREDIT SYSTEM. At the invitation of the Austrian Government, three foreign banking experts will soon arrive in Vienna to study the structural problems of Austria's credit system. Chairman of the group is Maurice Frere of the Belgian National Bank. The other two experts are Sir Otto Niemeyr of the Bank of England and Arthur Marget of the U.S. Federal Reserve Board.

American officials have for some time now favored the invitation of an American banking commission to come to Austria to study the practical possibility of unravelling the country's interlocking bank activities. But the Austrian Government felt that the structural relationships of the country's banking system should preferably be studied by an international team of experts.

AUSTRIAN RECORD DOLLAR BALANCE OF 18.6 MILLION IN E.P.U. Austria's balance of payments within the European Payments Union (EPU) showed a surplus of 18.6 million dollars for the month of August, thus exceeding the previous record of 18.1 million achieved in July.

As late as April of this year Austria still had a passive balance of payments with the E.P.U. amounting to 4.5 million dollars. But soon after the Government had readjusted the schilling's rate of exchange to bring the latter in line with the schilling's actual dollar value, the country's balance of payments within the E.P.U. began to reflect a rapid improvement, with results exceeding even the most optimistic expectations. By June Austria's account showed a favorable balance of 24.6 million dollars, which together with the balances for July and August gives Austria a total balance of 61.3 million dollars in her favor. If this gratifying trend continues through September, Austria will most probably reach the quota of 70 million dollars fixed by the E.P.U.

QUOTATIONS ON AUSTRIAN PREWAR BONDS REFLECT CONSTANT INCREASE IN VALUE. Quotations on Austrian prewar bonds officially listed on Swiss stock-exchanges have reflected a steady increase in value since January 1953. According to the latest monthly report of the Swiss National Bank, the average price quoted for Austrian bonds on the various Swiss stock-exchanges at the end of July 1953 amounted to 88.1% of their issue price, as compared to 86.39% quoted in June 1953 and 72.75% at the end of December 1952.

Austrian government bonds were thus listed at higher

rates than German or French bonds; they even exceeded the prices quoted in the average aggregate index of all foreign obligations officially listed in Switzerland. The price index of German bonds amounted to only 73.27% and that of French bonds to 78.52%. At the end of July, only the bonds of the Scandinavian countries, Belgium and the Netherlands, as well as those of the World Bank, were quoted at higher prices than the Austrian bonds.

CHAMBER OF COMMERCE VICEPRESIDENT OUTLINES IMMEDIATE ECONOMIC PROGRAM. Vice President Foerster of the Austrian Federal Chamber of Commerce said at a meeting in Krems, Lower Austria, that Austria's economy required an immediate five-point program if it is to be permanently consolidated. He listed these five points as follows:

1. Foreign-exchange controls should be considerably relaxed by expanding liberalization quotas from the present 35% to at least 50 or 60%. This measure was now possible in view of Austria's favorable balance of payments. Any increase in liberalization would, however, have to be accompanied by a revision of Austrian customs tariffs.
2. The Schilling Opening Balance would have to be introduced as of January 1, 1954.
3. The tax structure should be revised, primarily by lowering the tax on trades, easing the progression of wage and income taxes and allowing tax consolidation for one-man businesses.
4. Easing of credit restrictions and reduction of the National Bank's interest rate by one-half percent were necessary.
5. A revision of working hours and business closing hours would help to increase business activity.

AUSTRIAN MANAGEMENT AND LABOR AGREE TO RAISE INDUSTRIAL PRODUCTIVITY. The Secretary of the Austrian Federal Chamber of Commerce, Dr. Korinek, and the Chairman of the Union of White Collar Workers in Private Industry, Deputy Friedrich Hillegeist, adopted the same approach toward the question of raising Austrian industrial productivity, at the 8th Conference on Political Economy now being held in Bad Ischl, Upper Austria.

Both spokesmen agreed that productivity could and, indeed, must be increased if the country's economy is to be maintained on a sound basis. Dr. Korinek said that if this goal is to be achieved labor as well as management would have to eliminate all obstacles to greater productiveness, both on the part of plant facilities and the worker. The latter should be protected against exploitation, but at the same time management should not be hindered in its administrative responsibilities. The state could contribute substantially to greater productivity by revising the tax system, amending social security legislation and rationalizing administrative procedures.

Deputy Hillegeist, in turn, declared that labor would first have to receive definite assurances that full employment would be maintained before it could mentally adopt a fully constructive approach to the goal of increased productivity. Only if the worker was convinced that greater pro-

ductivity would lead to a decrease in the cost-of-living index, to an increase in the standard of living and to the preservation and extension of employment opportunities, would he concentrate all his energy toward the realization of this goal. Deputy Hillegeist then cited the experience gained in the United States, where increased productivity had resulted in higher wages, shorter working hours, a higher standard of living and greater employment security. In Austria, too, increased productivity should be aimed at achieving these positive results. In closing, he seconded Dr. Korinek's call for a general agreement between management and labor with regard to the aims and execution of any program designed to raise the country's industrial productivity.

CULTURE AND SCIENCE

FIRST AUSTRIAN PLAY ON BROADWAY: FRITZ HOCHWAELDER'S "THE STRONG ARE LONELY" OPENS AT BROADHURST THEATRE ON SEPTEMBER 29. Mr. Walter P. Chrysler Jr. will make his debut as a Broadway producer this fall when he presents the Austrian author Fritz Hochwaelder's powerful new drama, "The Strong Are Lonely," at the Broadhurst Theatre on September 29. Directed by Miss Margaret Webster, eminent director of countless Shakespeare and Shaw productions, Fritz Hochwaelder's play will star Victor Francen, who played the original lead in the Paris production of the work, which ran for two years. Dennis King, one of America's foremost actors, costars with Mr. Francen in this important theatrical event of the 1953 season. The play was adapted for production in the United States by Eva LeGallienne. The story, based on actual fact, takes place during the 18th century and tells the exciting events following the Jesuit conversion of the Indians in Paraguay.

Fritz Hochwaelder was born in Vienna in 1911. An upholsterer by trade, the playwright is a self-taught man in the realm of the mind. Leading European critics have acclaimed his dramatic craftsmanship as being neat and precise, as befits a skilled artisan. After the occupation of Vienna by the Nazis, Hochwaelder fled to Switzerland, where he wrote this play, whose original title was "The Holy Experiment". In France it was produced under the title "On Earth as In Heaven". When Mr. Hochwaelder wrote his play, it seemed important to him to show that every attempt to create social justice must be based on genuine religious or spiritual premises. He has said that the action of the play is of his own invention, although the facts on which it is based are historic. Every theatre goer is left to decide the question for himself. It is not the author's intention to give a ready-made answer, but merely to pose a question.

Mr. Hochwaelder has written a dozen plays so far. His latest drama, "Donadieu", is being presented for the first time at the Burgtheater in Vienna in October.

"The Strong Are Lonely" has been performed by the foremost theatres in Vienna, Berlin, Munich, Stuttgart, Darmstadt, Lucerne, St. Gallen, The Hague, Upsala, Helsinki, Oslo, Sao Paulo and Athens, to name but a few. It was its tremendous success, with more than 400 perform-

ances, at the Theatre de l'Athenée in Paris which brought the play to the attention of Broadway.

WILHELM KAUFMANN EXHIBITION AT ST. ETIENNE GALLERY TO BE HELD SEPTEMBER 30 TO OCTOBER 15.

An exhibition of paintings by the famous Austrian painter Wilhelm Kaufmann, of Salzburg, will be held from September 30 to October 15 at the St. Etienne Gallery, 46 West 57th Street, New York City. Oil paintings, water colors as well as drawings of Austrian scenes, subjects of France, England and America as well as portraits will be on show.

Wilhelm Kaufmann was born in Salzburg in 1901. In 1919 the young artist travelled to Vienna to study painting at the School of Industrial Art of the Austrian Museum under Mueller-Hofmann until 1923. He then accepted an invitation from Anton Faistauer to collaborate on a number of ceiling frescoes in the vicinity of Salzburg. In Salzburg, Wilhelm Kaufmann established his own studio, where he executed several portrait commissions. He also did portrait work in Germany, Belgium, France and, especially, England.

In 1931-32 he painted a series of decorative murals in Paris which gave the "Studio Viennois," established at that time as a branch of the "Wiener Werkstaette," its characteristic imprint: tapestry-like wall coverings depicting scenes from Austrian folk life against a background of typical Austrian landscapes.

In 1935 four of Kaufmann's landscape water colors, with those of a few other Austrian artists, were selected for a representative exhibition at the Austrian pavilion of the Brussels International Exhibition. From 1936 to 1937 Kaufmann lived in England. His first one-man show, given in 1937, was held at the Storrer Gallery and was formally opened by the Austrian Minister. In the fall of 1937, when the artist returned to Austria, Clemens Holzmeister commissioned him to do a small mural for the foyer of the Salzburg Festival House.

In 1949 he was commissioned to do a series of ceiling frescoes for the old village church of Weissbach in the Salzburg mountains. The commission had been granted under the aegis of the Austrian Federal Chancellery. Kaufmann executed it by creating devotional scenes which expressed the simple religious feelings of mountain folk.

In 1950 and 1951 he received a number of commissions for portraits in England and France.

His first invitation to come to the United States was extended to him by the Westtown School in Pennsylvania, where he spent one semester teaching a class in art. This was followed by an invitation to exhibit his work in Washington, in September 1952, and by another from the Carl Schurz Foundation in Philadelphia. Both exhibitions were very successful.

In the course of his life, Wilhelm Kaufmann has been awarded various prizes and distinctions, including the Austrian Gold Medal (for his family portrait and self portrait).

A number of his paintings are now owned by the following public galleries: The "Albertina" national collection in Vienna; the Austrian State Gallery in Vienna; the "Landes-galerie" in Salzburg; the Salzburg Museum; the City Art Gallery in Birmingham (Great Britain); and the Walker Art Gallery in Liverpool (Great Britain).

1953 MEDICAL CONGRESS IN SALZBURG ATTENDED BY MANY FOREIGN PHYSICIANS.

The 1953 Austrian Medical Congress of the Van Swieten Society, one of the country's leading scientific congresses, was held at the Salzburg Festival House from September 7 to 9. More than 500 prominent physicians from the United States, Germany, Switzerland, Italy, Austria and other European and overseas countries attended. One of the basic requirements of the congress is that only those medical discoveries be presented which have not yet been made public or communicated to the medical profession.

The importance of the congress was underscored this year by the grandiose reception given the Austrian and foreign doctors by Governor Klaus of Salzburg at the Residence. In addition to the many and frequently sensational scientific papers presented, there was also an exhibition of pharmaceutical specialties, medical literature, medical instruments and other items of medical interest. By way of diversion, the city of Salzburg offered the physicians a wealth of cultural attractions, which were supplemented by excursions to the state's beautiful mountain and lake areas. The medical congress, which is held annually right after the music festival, was the 43rd international congress held in Salzburg this year.

VIENNA CONCERT HOUSE SOCIETY TO CELEBRATE 40TH ANNIVERSARY WITH SPECIAL PROGRAM.

The Vienna Concert House Society, whose hall shares with those of other music societies the distinction of being the home and hallmark of Austrian musical life, is about to celebrate its 40th anniversary. To commemorate the occasion, the Society's General Secretary, Dr. Egon Seefehlner, has drawn up a brilliant program to be performed at the Concert House during the anniversary weeks. Among the conductors, singers and instrumentalists who are scheduled to contribute their talents to the anniversary concerts are such distinguished names as Furtwaengler, Schuricht, Rossi, Argenta, Grumiaux, Odnoposoff, Schneiderhahn, Mainardi, Backhaus, Cortot, Erdmann, Seefried and Fischer-Dieskau. Many Italian string quartets will vie with Austrian ensembles for musical honors during the festival period. Both classical and contemporary music has been included on the programs.

NEW PAULA WESSELY FILM RELEASED IN VIENNA.

The world premiere of a new film produced by the Wessely Production Company, entitled "Ich und meine Frau" (I and My Wife), was recently given in Vienna. Heading a distinguished cast is the well-known Viennese screen couple Paula Wessely and Attila Hoerbiger. The scenario, which was jointly written by the Austrian authors Karl Farkas, Eduard von Borsody and Friedrich Schreyvogel, deals with the story of a devoted and loving wife, whose husband, a tyrannical pedant, awakens to her real qualities only after eighteen years of marriage. The film is a satire and, in the consensus of all the critics, is regarded as the best Austrian postwar picture. The prolonged applause of the audience on opening night indicated that the public shared their view.

MEDAL TO HONOR EMPRESS MARIA THERESA'S AUSTRIA AS FORERUNNER OF A UNITED EUROPE. The "Centre Européen de la Culture" in Geneva, one of Europe's best-known cultural institutes, has decided to issue a medal in honor of Empress Maria Theresa of Austria to commemorate her Pan-European ideals and the fact that she ruled over a Pan-European state. The medal will bear the likeness of the empress as it appears on the Maria Theresa taler, which today is still recognized as a valuable European currency in many countries of Africa. The medal contains 29.03 grams of fine gold and will be sold by Swiss banks for 200 francs.

In an official letter to the Austrian Foreign Office, the "Centre Européen de la Culture" wrote: "With its Hungarian, Belgian, Italian, Polish, Rumanian, Ukrainian, Czech, Dalmatian and Croatian possessions, to name only these, the very decentralized empire (of Maria Theresa-Ed.) represented at the time a sort of federal government in the heart of Europe, in which all peoples learned to live side by side in peace. The Austria of Empress Maria Theresa's day was a center of culture where every nation developed its own civilization; it was also a vast economic market which favored production and an active exchange of goods. But in Vienna a miracle had come to pass: the development of a European feeling in the fields of music, literature and art. Unlike the other European sovereigns who built up their realms at the expense of Europe or who wanted to unify it by force, Maria Theresa succeeded in the administration of

her disparate states in setting an example of unity amidst diversity, of authority with freedom and of grandeur with balance — an achievement truly born of human wisdom. As the forerunner of a united Europe, the Austria of Maria Theresa well deserves the homage paid it by this medal."

READERS ARE INVITED TO REPRINT OR QUOTE ANY MATERIAL FROM AUSTRIAN INFORMATION

AUSTRIAN CULTURAL ACTIVITIES RECEIVE SUBSTANTIAL FINANCIAL AID FROM STATE. The Austrian Ministry of Education has just released a statistical report revealing that in 1952 the state contributed the following sums to the country's cultural activities from the proceeds of the motion-picture attendance tax and of fees assessed against radio set owners:

Cultural associations received a total of 2,728,800 schillings; these include a number of orchestral, painters' sculptors' and literary associations. Austria's private theaters were subsidized to the extent of 3,291,500 schillings. The festivals of Salzburg, Vienna, Bregenz, Graz and Innsbruck received a combined subsidy of 2,845,500 schillings and art exhibitions received financial benefits totaling 260,900 schillings. Additional sums were spent for the purchase of works of plastic art, for the publication of cultural periodicals, for the support of public libraries and for the training of young artists.

AUSTRIAN INFORMATION

*Published by the Information Department of
THE AUSTRIAN CONSULATE GENERAL*

31 EAST 69th STREET • NEW YORK 21, N.Y. • TELEPHONE: LEHIGH 5-4120



Librarian
Montana State University
Missoula, Mont.